



Department of Energy

Oak Ridge Office
P.O. Box 2001
Oak Ridge, Tennessee 37831

June 21, 2007

Mr. Gregory L. Turner
Chief Financial Officer
UT-Battelle, LLC
Post Office Box 2008
Oak Ridge, Tennessee 37831-6231

Dear Mr. Turner:

FISCAL YEAR 2007 YEAR-END FINANCIAL STATEMENT REQUIREMENTS

The purpose of this letter is to provide the fiscal year (FY) 2007 financial statement reporting requirements including guidance relating to financial statement analysis and footnote disclosures. Enclosures provided include the following:

- A list of key dates for third quarter reporting requirements. See Enclosure 1. At the time the Department of Energy Headquarters (DOE HQ) deadlines were established, the U.S. Department of Treasury had not yet finalized dates for various year-end reporting requirements. As a result, some of the due dates established by DOE HQ may be subject to change. The key dates for fourth quarter and the year-end checklist will be provided under separate cover in the coming weeks.
- The Final FY 2007 Third Quarter and Yearend Financial Statement Analysis and Footnote Disclosure Requirements Guide provided by DOE HQ. See Enclosure 2. **Please note that the third quarter FY 2007 Financial Statement Analysis and Footnote Disclosures are due to the Oak Ridge Financial Service Center by close of business July 12, 2007.**
- A copy of the Excel Templates to be used to document your footnote requirements. See Enclosure 3. An electronic copy of these templates will also be forwarded to each addressee.

Reports will be forwarded to each organization for analysis and correction as our analysis of Trading Partner Codes and Abnormal Balances continues.

If you have any questions regarding these requirements, please feel free to contact Rosemary Smith at (865) 241-6766. Your efforts are appreciated.

Sincerely,

A handwritten signature in cursive script, reading "Nancy J. Fitzpatrick".

Nancy J. Fitzpatrick, Director
Oak Ridge Financial Service Center

Enclosures

cc w/enclosures:
B. V. Abele, UT-Battelle
B. P. Ault, UT-Battelle

cc w/o enclosures:
J. O. Moore, SC-10, ORO

Integrated Contractor Key Dates

3rd Quarter Fiscal Year 2007 Reporting Requirements

Description	Due Date
Confirmation of Inter-Office/Inter-Entity balances as of May 31, 2007.	June 25, 2007
Submit accurate and complete Summary of Cash Activity by noon local time	July 2, 2007
Final June STARS file to be completed and ready for processing by noon local time	July 3, 2007
All remaining critical edits, abnormal balances, and trading partner code exceptions should be corrected in this file.	July 3, 2007
Abnormal balance and trading partner code exception reports as of June data will be provided to the ICs for use in preparing the financial statement analysis	July 6, 2007
3rq Quarter Financial Statement Analysis and Footnote Disclosures due to the ORFSC by COB - ATTN: Rosemary Smith	July 12, 2007
IC Trial Balance Reconciliation at the full AFF level for specified accounts due to the ORFSC - ATTN: Tammy McDuffie	July 31, 2007

FINANCIAL STATEMENT ANALYSIS & FOOTNOTE DISCLOSURE REQUIREMENTS

Field Office, PMA and FERC financial statement analysis, footnotes, and required supplementary stewardship information must be submitted to the Financial Reporting and Analysis Division (FRAD), CF-11/GTN, to the attention of Jeffrey Carr, as follows:

	<u>Field</u>	<u>PMAs/FERC</u>
3 rd Quarter	July 16, 2007	July 18, 2007
Yearend	*October 15, 2007	October 18, 2007

Please note that some of the analyses/footnotes **are not required for 3rd quarter reporting and some are NOT applicable, or are ONLY applicable to the PMAs and FERC**. These requirements are noted below for each specific analysis/footnote.

* Due to the timing of the managerial cost allocations and the effort required to disseminate information to the integrated contractors, field offices may submit their significant balance change analysis for the Statement of Next Cost on October 22, 2007, separate from the remaining requirements listed below. This revised date is not applicable to the PMAs and FERC because the recording of the managerial cost allocations will have no impact on their Statements of Net Cost.

I. Financial Statement Analysis

Field Offices, the PMAs and FERC are responsible for the analysis of their principal statements as well as certain suspense and miscellaneous account balances. The principal statements are available from the Standard Accounting and Reporting System (STARS). Refer to Attachment 2 for a listing of available reports to be used for the financial statement analysis. Requests for user IDs to access STARS reports can be obtained via the Management Information Systems Application Gateway at <http://mis.doe.gov>.

To assist in this analysis there is now the capability of obtaining the financial statements in comma delimited layout. This new parameter is titled Report Output Type and can be found on the parameter screen for each of the financial statements. For the Report Output Type parameter you may select Standard Layout, Comma Delimited Layout or Both Layouts.

The results of each field office's analysis should summarize both field office and integrated contractor data. However, detailed documentation by reporting entity must be available to support the analysis submitted to Headquarters.

A. Analysis of Suspense Accounts (required for year-end only)

Analyze and provide an explanation for any balances in the following Standard General Ledger Accounts (SGL).

1. 199099 - Other Assets, Suspense – Field Only
2. 232099 - Deferred Credits, Suspense Credits – Field and PMA/FERC only
3. 240000 – Liability for Deposit Funds and Suspense Accounts - PMA/FERC
4. 610099 – Integrated Contractor Cost Overruns and Undistributed Costs – Field Only

B. ES&H Analysis (required for 3rd quarter and year-end) – Not Applicable to PMAs and FERC

Analyze and correct the Current Year Environment Safety and Health Activity. The Current year change in SGL account 2990U1, Other Liabilities, Not Covered by Budgetary Resources – ES&H Liabilities, must equal the current year costs in SGL account 6800U9, Future Funded Expenses, Unfunded Costs, program value 1721267 – YN0402 Unfunded Safety and Health Expense.

C. Abnormal Account Balance Analysis (required for 3rd quarter and year-end)

Analyze, provide an explanation and resolve any significant account balances with an abnormal balance (i.e., a debit balance in an account that should have a credit balance or vice-versa). Also, all abnormal balances for intragovernment SGL accounts will need to be corrected or explained, as appropriate, at the trading partner DFF level. Please see the guidance for Abnormal Balance Reviews at:
<http://www.mbe.doe.gov/cf11/frad/otherguidance.htm>.

D. Tiepoint Analysis (required for 3rd quarter and year-end)

Each Field office, PMA and FERC should research all tie point differences identified below and make appropriate correcting entries.

1. Compare Balance Sheet Assets to Liabilities and Equity
2. Compare Balance Sheet to Statement of Changes in Net Position
 - a. Cumulative Results of Operations – Earmarked Funds and Other Funds
 - b. Unexpended Appropriations – Earmarked Funds and Other Funds
3. Compare Statement of Financing to Statement of Net Costs
4. Review “Other Line to be Reconciled” on the Statement of Changes in Net Position to ensure that it equals zero.

Additional tie points for the Statement of Changes in Net Position, Statement of Financing and Statement of Net Costs that are reviewed by the Office of Financial Oversight (OFO):

1. Change in Cumulative Results Balance Sheet to Net Position
2. Change in Unexpended Appropriations Balance Sheet to Net Position
3. Beginning Net Position Equals Prior Years Ending Net Position – Cumulative Results and Unexpended Appropriations
4. Net Cost of Operations Statement of Net Cost to Statement of Changes in Net Position
5. Donations Statement of Financing Equals Donations Statement of Changes in Net Position
6. Other Resources - Transfers In/(Out) Without Reimbursement Statement of Financing equals Other Financing Sources – Transfers In/(Out) Without Reimbursement Statement of Changes in Net Position
7. Other Resources - Imputed Financing from Costs Absorbed by Others Statement of Financing equals Other Financing Sources – Imputed Financing from Costs Absorbed by Others Statement of Changes in Net Position
8. Other Resources - Other Statement of Financing equals Other Financing Sources – Other Statement of Changes in Net Position

E. Significant Changes in Financial Statement Balances (*required for year-end only-*)

Field offices, PMAs and FERC should analyze the Balance Sheet, Statement of Net Costs, Statement of Changes in Net Position, and Statement of Financing at the allottee level and perform an analysis of significant changes for each line between the FY 2007 balances and the related balance from the FY 2006 financial statements. Explanations are not required for the following lines:

- fund balance with Treasury
- investments
- regulatory assets
- deferred revenues
- environmental liabilities
- pensions and other actuarial liabilities
- contingencies
- unexpended appropriations
- cumulative results of operations, and
- prior period adjustments.

Please note that the unexpended appropriations and cumulative results of operations lines on the balance sheet do not require an explanation. However, the detail for unexpended appropriations and cumulative results of operations on the Statement of Changes in Net Position should be reviewed and explained for any significant balance changes. It should be noted that, even though field offices are not being required to provide explanations for significant changes in the above accounts, KPMG auditors may require explanations for specific differences.

KPMG has determined that a significant balance change is any change greater than \$20 million and 15 percent. To assist in this analysis a new STARS report has been developed, DOE Financial Statements Analysis Report. This report will allow the user to select a financial statement, an allottee, and a dollar/percentage threshold change. Standard Operating Procedures are currently being developed for this report and will be posted to our website when completed. Mary Williams on (301) 903-5044 can address any questions on running this report.

Field Offices, PMAs, and FERC should ensure that, at a minimum, the thresholds identified above are used to identify the balances to be analyzed and explanations provided in their financial statement analysis.

The Treasury system used by OFO to input data for the Federal Report of the United States requires all balance changes greater than 10 percent to be explained for all Balance Sheet accounts. Additional information on significant balance changes may be requested from the field offices, PMAs, and FERC to meet this requirement.

Please ensure that all explanations are thorough and state not only what has changed but also provide adequate detail as to why the significant change occurred. Field offices are reminded that the significant account balance change analysis is an important internal control for financial reporting, and is a management responsibility that cannot be substituted by work performed by our independent auditors.

F. Analysis of Environmental Liability Data (required for 3rd quarter and year-end) - Not Applicable to PMAs and FERC

1. DOE Environmental Liabilities Summary Report - Field offices should ensure that the beginning balance (funded/unfunded) plus any prior period adjustments and current year changes equals the ending balance (funded/unfunded). Current year reclassifications of unfunded to funded must always equal zero. Any differences may be caused by missing or incorrect environmental liability type codes on the SGL 6800 accounts.
2. EM Operating Expenditures Reconciliation Report - Field offices should analyze any unreconciled difference in the Non-Legacy Waste Operating Costs column and ensure that this amount is comprised of only non-legacy waste operating costs incurred in FY 2007. Field offices should also provide an explanation of the items included in the Non-Legacy Waste Operating Costs column.
3. EM Capital Expenditures Reconciliation Report – Field offices should analyze any amounts in the Unreconciled Difference column and provide an explanation for these items. The amount in the Unreconciled Difference column should only include items that do not meet the criteria for legacy waste (i.e. – EM facilities used < 50% to address legacy waste). Also, any differences between the Current Year Legacy Write-Off amounts and the Reduction to Environmental Liability amounts should be explained.
4. Excess Plutonium Capital Expenditure Reconciliation Report – Field offices should provide explanations for all costs in the Non Legacy Waste column.
5. Excess Plutonium Operating Expenditure Reconciliation Report – Currently in development. Requirements for this report will be separately communicated.
6. Funded Environmental Liability Analysis Report – Field offices should review this report to ensure that funded costs in SGL 2995F, Estimated Cleanup Cost Liability, are not greater than the Undelivered Orders and Unobligated balances.

The format of the required third quarter and yearend environmental liability disclosures will be separately provided to field offices by Lois Jessup in the Office of Financial Policy. Submission of these disclosures should be made directly to Ms. Jessup in accordance with due dates established by the Office of Financial Policy.

Questions regarding environmental liability data and the reconciliation issues should be addressed to Marion Hoch on (301) 903-4216. Other environmental liability related questions should be addressed to Lois Jessup on (202) 586-3959.

G.Trading Partner Analysis (*required for 3rd quarter and year-end*)

Field offices, the PMAs, and FERC should review and analyze the Trading Partner Exception reports and correct material balances. See the Trading Partner Code Guide at <http://www.mbe.doe.gov/cf11/frad/otherguidance.htm>. Questions regarding these reports and the analysis should be directed to Scott Chayette on (301) 903-9705 or Marion Hoch on (301) 903-4216.

H.Other Accounting Data Errors (*required for 3rd quarter and year-end*)

Provide an explanation for significant accounting data errors, if any, not already identified in any of the previous analysis steps.

I. Reconciliation of Cash Balances (*required for 3rd quarter and year-end*) – Only Applicable to the PMAs and FERC

PMAs and FERC should compare their cash balances in STARS for disbursing Treasury Appropriation Fund Symbols (TAFS) to cash balances from Treasury. If they do not agree, adjusting entries should be made.

II. Footnote Disclosure Requirements

NOTE A - Environmental, Safety, and Health Liability (*required for 3rd quarter and year-end*) – Not Applicable to the PMAs/FERC

Guidance to develop the ES&H liability estimate for FY 2007 reporting in the consolidated financial statements was issued on April 26, 2007 see <http://www.mbe.doe.gov/efasc/frad/otherguidance.htm>. The estimate should include all ES&H compliance activities funded by all Cognizant Secretarial Offices, except the Office of Environmental Management (EM). The EM portion of the ES&H compliance liability will be reported as a component of the EM environmental liability. Field offices should submit narrative describing adjustments to the prior year ES&H compliance liability. Please see the Unfunded Liabilities Accounting Guide at <http://www.mbe.doe.gov/efasc/frad/otherguidance.htm> for the detailed entries required to record the ES&H liability.

NOTE B – Intra-Governmental Transactions (required for 3rd quarter and year-end)

During the quarterly reconciliation of intragovernmental balances, the Department receives requests from other Federal agencies to confirm quarterly or year-end intra-governmental balances. Field offices may be asked to provide the necessary detailed breakout of these transactions to assist OFO in this effort.

Additionally, any amounts reported with a Trading Partner of “00” – Unidentified should be analyzed to determine whether a more appropriate Trading Partner code can be utilized. Classified amounts should continue to be reported using Trading Partner Code 00 but all other intra-governmental balances should utilize an appropriate Trading Partner Code other than 00, if available. If assistance is needed in determining the proper Trading Partner Code to use, please call Marion Hoch on 301-903-4216.

Please use the excel template for Intra-Governmental Transactions to explain all “Unidentified” amounts.

NOTE C - Property, Plant, and Equipment (PP&E) Analysis (required for 3rd quarter and year-end)

The PP&E analysis ensures consistency with data contained in the Balance Sheet and Statement of Financing.

Each field office, PMA, and FERC is required to ensure that the Tie Point Difference line of their STARS DOE PP&E Roll Forward Allottee Report is equal to zero. Additional information regarding this requirement can be found in the Property, Plant and Equipment Roll-Forward Reporting Review, available at <http://www.mbe.doe.gov/cf12/reports/PPERollForwardRptReviews.doc> . If you have additional questions, please contact Greg Dulovich on (301) 903-4701.

NOTE D – Inventory and Related Property Analysis (required for 3rd quarter and year-end) – Each field office, PMA and FERC is required to ensure that the Tie Point Difference line of their STARS DOE Inventory Roll Forward Allottee Report is equal to zero. Additional information regarding this requirement can be found in the Inventory and Related Property Roll-Forward Reporting Review, available at <http://www.mbe.doe.gov/cf12/reports/InvenRollForwardRptReviews.doc>. If you have additional questions, please contact Greg Dulovich on (301) 903-4701.

In addition to the reconciliation, SPRO must also provide the following information:

1. Historical cost of the crude oil contained in the reserve.
2. Historical cost of the oil purchased with DOD funding.
3. Specific information on any exchange agreements or oil drawdowns, including dollar values.
4. Historical cost of the Northeast Home Heating Oil Reserve.

NOTE E – Direct Loans and Loan Guarantees - This information only applies to the National Energy Technology Laboratory (NETL) and Bonneville Power Administration (BPA). Please use the excel template for Direct Loans to document your response.

NOTE F - Commitments/Leases (required for 3rd quarter and year-end, except item 4 Other Commitments which is required for yearend only)

Commitments are long-term contractual agreements entered into by the Federal Government, such as operating leases that become liabilities when required actions or conditions under the agreements have occurred. Each Field Office, PMA, and FERC should use the excel templates to provide the following information:

1. Capital leases (Assets) - Provide the Federal and non-Federal amounts for capital leases and accumulated depreciation/amortization, by the major asset categories. Please use the excel template for Capital Leases - Assets to document your response. Please note certain lines must tie to SGLs 1810 and 1819.

Also, for capital leases greater than \$5 million, provide disclosures for the major asset categories included in the template to identify funding commitments associated with the lease terms such as: the basis for contingent rental payments, existence and terms of renewal options or purchase options, escalation clauses, restrictions imposed by lease agreements, and the amortization period.
2. Capital leases (Liabilities) – Please use the excel template for Capital Leases – Liabilities to document your response. Please note that the amount reported on the templates as “Capital Lease Liability” must tie to SGL 2940, Capital Lease Liability.
 - a. Provide the Federal and non-Federal amounts of future minimum lease payments, imputed interest, and executory costs including any profit for the current and prior years.
 - b. Provide the future lease payments, imputed interest, and executory costs by major asset category, for all noncancellable leases with terms longer than one year.
3. Operating leases – Please use the excel template for Operating leases to document your response.
 - a. Provide the Federal and non-Federal amounts of future operating lease payments for the current and prior years by major asset category.
 - b. Provide the future lease payments by major asset category, for all noncancellable leases with terms longer than one year.

- c. Please note that the amount reported for operating leases will not tie to a specific SGL account since we do not capture this information in STARS.

Also, for operating leases greater than \$5 million, provide disclosures identifying funding commitments associated with the lease terms such as: the basis for contingent rental payments, existence and terms of renewal options or purchase options, escalation clauses, and restrictions imposed by lease agreements.

4. Other commitments –

Field Offices

Provide the Federal and Non-Federal amounts of other commitments not reported above by the categories identified in the excel template Other Commitments – Field Offices. We are currently working with Treasury to obtain detailed definitions for these categories. We will forward that information in a separate email. Please contact Jeffrey Carr on (301) 903-2506 or Greg Dulovich on (301) 903-4701 before reporting any other commitments.

PMAs/FERC

Provide the Federal and Non-Federal amounts of other commitments not reported above by the categories identified in the excel template Other Commitments – PMA and FERC. We are currently working with Treasury to obtain detailed definitions for some of the categories. Also provide a schedule of your commitments by year. If you have any questions, please contact Jeffrey Carr on (301) 903-2506 or Greg Dulovich on (301) 903-4701. The total amount of commitments in the Federal/Non-Federal split, by category, should equal the total amount of commitments in each category on the schedule by year.

5. DOE as Lessor – Use the excel template for DOE Lessor to document your response.

- a. Capital leases - Provide future projected receipts by major asset category for all noncancellable leases with terms longer than one year.
- b. Operating leases - Provide future projected receipts by major asset category for all noncancellable leases with terms longer than one year.

PMAs/FERC must ensure that the footnote information provided is consistent with related amounts reported on their financial statements. Please direct questions related to the closing package to Marion Hoch on (301) 903-4216 or Deanna Ammons on (301) 903- 5374.

NOTE G - Regulatory Assets (required for 3rd quarter and yearend) – Only Applicable to the BPA and WAPA

This footnote disclosure should be completed by Bonneville Power Administration and Western Area power Administration using the Excel template provided. If you have additional questions contact Deanna Ammons on (301) 903-5374.

NOTE H - Debt (required for 3rd quarter and year-end) – Only Applicable to the PMAs and FERC

Please use the Excel template provided to document your response. The ending balance for each category of debt on the footnote schedule should equal the total future principle payments for each category of debt in the supplemental table. If you have additional questions contact Deanna Ammons on (301) 903-5374.

NOTE I – Subsequent Events (required for year-end only)

Please use the following guidance to report any subsequent events that occurred after September 30, 2007 that may have a material effect, and require disclosure, on the financial statements. Responses should be in the form of a signed memorandum. Provide your preliminary response, including negative confirmations, to Jeffrey Carr at Jeffrey.Carr@hq.doe.gov by October 19, 2007. Additional updates of subsequent events will be required on November 2, November 14 and November 28, 2007 to support the final financial statements, the submission of the Department's reclassified financial statements to the Department of the Treasury and the issuance of the FY 2007 Federal Report of the United States.

Subsequent Events are events or transactions which occur after September 30, 2007, but before the issuance of the financial statements and auditor's report that have a material effect on the financial statements and require adjustment or disclosure in the statements.

Two types of subsequent events require consideration by management and evaluation by the independent auditor.

The first type consists of events that provide additional information about conditions that existed at September 30, 2007, and affect the estimates used in the process of preparing financial statements. Management, in its evaluation of the conditions on which the estimates were based, should use all information that becomes available prior to the issuance of the financial statements. The financial statements should be adjusted for any changes in estimates resulting from the use of such information.

Examples of events of the first type that require adjustment to the financial statements are:

- The settlement of litigation for an amount different from the liability recorded in the accounts would require adjustment of the financial statements if the events, such as personal injury or patent infringement, that gave rise to the litigation had taken place prior to September 30, 2007.
- A loss on an uncollectible trade account receivable as a result of a customer's deteriorating financial condition leading to bankruptcy after September 30, 2007, would be indicative of conditions existing at the balance-sheet date, thereby calling for adjustment of the financial statements before their issuance.

The second type consists of events that provide additional information about conditions that did NOT exist at September 30, 2007, but arose after that date. These events should not result in adjustment of the financial statements. Some of these events, however, may be of such a nature that disclosure of them is required to keep the financial statements from being misleading.

Examples of events of the second type that require disclosure to the financial statements (but should not result in adjustment) are:

1. Congress passes legislation in October 2007 which obligates DOE to pay claims to injured parties.
2. Settlement of litigation when the event giving rise to the claim took place after September 30, 2007.
3. Loss of plant or inventories as a result of fire or flood.
4. Losses on receivables resulting from conditions (such as a customer's major casualty) arising after September 30, 2007.

III. Required Supplementary Stewardship Information (year-end only)

A. Heritage Assets

Heritage assets are property, plant and equipment (PP&E) that are unique for one or more of the following reasons:

- Historical or natural significance,
- Cultural, educational, or artistic (e.g., aesthetic) importance; or
- Significant architectural characteristics.

Heritage assets are generally expected to be preserved indefinitely.

In cases where a heritage asset serves two purposes, the heritage asset should be considered a multi-use heritage asset if the predominant use of the asset is in general government operations. Heritage assets having an incidental use in government operations are not multi-use heritage assets; they are simply heritage assets. Multi-use heritage assets are accounted for as general property and should not be included in this reporting.

1. Provide a brief statement explaining how the asset relates to the Department's mission(s) SFFAS 29, Par. 25a).
2. Provide a brief description of the Department's policies for each major category of heritage assets (SFFAS 29, Par. 25b).
3. Provide the condition of each major category of heritage assets (SFFAS 29, Par 26).
4. Complete the excel template for Heritage Assets.

B. Stewardship Land

Stewardship Land is land and land rights owned by the Federal Government but not acquired for or in connection with items of general PP&E. Examples of stewardship land include land used as forests and parks, and land used for wildlife and grazing. Land rights are interests and privileges held by the entity in land owned by others, such as leaseholds, easements, water and water power rights, diversion rights, submersion rights, rights-of-way, mineral rights, and other like interests in land.

Land is defined as the solid part of the surface of the earth. Excluded from the definition are the natural resources (that is, depletable resources, such as mineral deposits and petroleum; renewable resources, such as timber; and the outer-continental shelf resources) related to land.

1. Provide a brief statement explaining how the stewardship land relates to the Department's mission(s) (SFFAS 29, Par. 40a).
2. Provide a brief description of the Department's stewardship policies for stewardship land (SFFAS 29, Par. 40b).
3. Describe the predominant uses of the stewardship land (SFFAS 29, Par. 40c).
4. Provide the condition of the stewardship land (SFFAS 40, Par. 41).
5. Complete the excel template for Stewardship Land entering the number of units (e.g. acres) for each category of predominate use.

C. Deferred Maintenance Reporting for Personal Property

The format on the following page should be used to report deferred maintenance for personal property.

Deferred Maintenance Disclosure Information for Personal Property
(As of September 30, 2007)

Field Office: _____ Field Site/Contractor: _____

Contact Person: _____

Name _____ Phone Number _____

Asset Category: General PP&E Asset Class: Personal Property - Capital Equipment

Maintenance Plan: Yes _____ No _____ If no, please explain. _____

Identify Method of Measuring Deferred Maintenance:

Descriptions of Requirements or Standards for Acceptable Operating Condition:

Changes in the condition or standards from previous year: _____

Percentages of Assets below the acceptable operating condition: _____%

Deferred Maintenance Estimate¹: _____

Date of Last Assessment: _____

¹The estimate should include amounts to restore the asset to its operating condition, not to upgrade an asset or expand its capacity. Pursuant to the cost/benefit considerations provided by SFFAS No. 6, the Department has determined that the requirement for deferred maintenance reporting on personal property is not applicable to property items with an acquisition cost of less than \$100,000 except in situations where maintenance is needed to address worker and public health and safety concerns.

Questions or concerns with regard to Stewardship should be directed to Lois Jessup, ME-11, 202-586-3959.

Note B - Intra-Governmental Transactions			
Trading Partner Code 00- Unidentified			
Required for Field Offices, PMA, and FERC Reporting			
Allottee:			
SGL	Fund	Amount	Explanation
XXXXXXXXXX	XXXXXX	-	Classified
XXXXXXXXXX	XXXXXX	-	XXXXXXXXXXXXXXXXXX
SGL Total		\$ -	

Note F				
Capital Leases - Assets				
Required for Field Offices, PMAs, and FERC				
Allottee:				
F.1.				
	FY 2007		FY 2006	
Asset Category	Federal	Non Federal	Federal	Non Federal
Power Line Equipment	-	-	-	-
Buildings and Land Improvements	-	-	-	-
ADP Equipment	-	-	-	-
Other Equipment	-	-	-	-
Total Capital Lease Assets ¹	-	-	-	-
Accumulated Depreciations/Amortization ²	-	-	-	-
Net Assets Under Capital Leases	\$ -	\$ -	\$ -	\$ -
Notes:				
¹ Must agree with SGL 1810				
² Must agree with SGL 1819				

Note F						
Capital Leases - Liabilities						
Required for Field Offices, PMAs, and FERC						
Field Office:						
F.2.a.						
	FY 2007		FY 2006			
	Federal	Non Federal	Federal	Non Federal		
Future minimum lease payments	-	-	-	-		
Less Imputed Interest	-	-	-	-		
Less Executory costs including pro	-	-	-	-		
Capital Lease Liability ³	\$ -	\$ -	\$ -	\$ -		
Note: ³ Must agree with SGL 2940						
F.2.b.						
	Buildings and Land					
Fiscal Year	Power Line Equipment	Improvements	ADP Equip	Other	Total	
2008	-	-	-	-	-	
2009	-	-	-	-	-	
2010	-	-	-	-	-	
2011	-	-	-	-	-	
2012	-	-	-	-	-	
2013+	-	-	-	-	-	
Total Future Payments	-	-	-	-	-	Must tie to FY 2007 Fed + Non Fed above
Note: Please repeat format F.2.b. if any Federal Capital Lease items.						

Note F						
Operating Leases						
Required for Field Offices, PMAs, and FERC						
Field Office:						
F.3.a.						
	FY 2007		FY 2006			
	Federal	Non Federal	Federal	Non Federal		
Buildings/Facilities	-	-	-	-		
Office Equipment	-	-	-	-		
ADP Equipment	-	-	-	-		
Automotive	-	-	-	-		
Other	-	-	-	-		
	-	-	-	-		
Fiscal Year	Federal					
F.3.b.	Buildings/Facilities	Office Equipment	ADP Equipment	Automotive	Other	
2008	-	-	-	-	-	
2009	-	-	-	-	-	
2010	-	-	-	-	-	
2011	-	-	-	-	-	
2012	-	-	-	-	-	
2013+	-	-	-	-	-	
Total Future Payments	-	-	-	-	-	Must tie to FY 2007 Fed Non Fed above
Fiscal Year	Non Federal					
F.3.b.	Buildings/Facilities	Office Equipment	ADP Equipment	Automotive	Other	
2008	-	-	-	-	-	
2009	-	-	-	-	-	
2010	-	-	-	-	-	
2011	-	-	-	-	-	
2012	-	-	-	-	-	
2013+	-	-	-	-	-	
Total Future Payments	-	-	-	-	-	Must tie to FY 2007 Fed Non Fed above

Note F				
Other Commitments - Field Offices				
Field Office:				
F.4.				
	FY 2007		FY 2006	
	Federal	Non Federal	Federal	Non Federal
Long-term satellite and systems	-	-	-	-
Fuel purchase obligations	-	-	-	-
Conservation reserve program	-	-	-	-
Other - Describe	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -

DOE Lessor Capital Leases							
Required for Field Offices, PMAs, and FERC							
Field Office:							
F.5.a.							
Fiscal Year		Power Line Equipment	Buildings and Land Improvements	ADP Equip	Other	Total	
2008		-	-	-	-	-	
2009		-	-	-	-	-	
2010		-	-	-	-	-	
2011		-	-	-	-	-	
2012		-	-	-	-	-	
2013+		-	-	-	-	-	
Total Future Receipts		-	-	-	-	-	
Provide disclosures for the above major asset categories to identify the commitment of DOE's assets including the lease terms. Also, identify as Federal or Non Federal.							
DOE Lessor Operating Leases							
F.5.b.							
Fiscal Year		Buildings/Facilities	Office Equipment	ADP Equipment	Automotive	Other	Total
2008		-	-	-	-	-	-
2009		-	-	-	-	-	-
2010		-	-	-	-	-	-
2011		-	-	-	-	-	-
2012		-	-	-	-	-	-
2013+		-	-	-	-	-	-
Total Future Receipts		-	-	-	-	-	-
Provide disclosures for the above major asset categories to identify the commitment of DOE's assets including the lease terms. Also, identify as Federal or Non Federal.							

Heritage Assets					
Required for Field Offices, PMAs, and FERC					
Collection Type Heritage Assets - Physical Units					
	FY 2007				
Category Description	Beg. Balance	Additions	Withdrawals	Ending Balance	
Non-Collection Type Heritage Assets - Physical Units					
	FY 2006				
Category Description	Beg. Balance	Additions	Withdrawals	Ending Balance	

Stewardship Land					
Required for Field Offices, PMAs, and FERC					
Number of Units					
Category	Beginning Balance	Acquired	Withdrawn	Ending Balance	
Public Land	-	-	-	-	
National Forest System	-	-	-	-	
National Wildlife Refuge System	-	-	-	-	
National Park System	-	-	-	-	
Mission Land	-	-	-	-	
Water, Power, and Recreation	-	-	-	-	
All other	-	-	-	-	
Total	-	-	-	-	